



REPUBLICAN PARTY OF NEW MEXICO

RAMSAY GORHAM

(Auditor)

Federal Election Commission
Attn: Colleen Manning
Senior Campaign Finance Analyst
Reports Analysis Division
Washington, DC 20463
February 20, 2004

RECEIVED
FEDERAL ELECTION COMMISSION
FEB 23 2004
A 9 16

Identification Number: C00020818

Reference: Amended August Monthly Report (7/1/03-7/31/03)

Dear Ms. Manning:

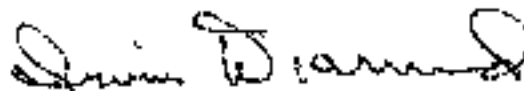
This letter is in response to your letter dated February 4, 2004.

Schedule B supporting Line 21(b) of this committee's report has been reviewed. None of these expenditures meet the definition of Federal Election Activity under 11 CFR §100.24. Referenced report has been amended to reflect that expenditures did not pertain to any candidate for Federal office.

Item three pertains to an In-Kind 2002 Payroll expense identified in referenced report. Your letter indicates you believe the RPNM Special Individual account to be a non-federal account of this committee. The Special Individual account is one of this committee's Federal accounts. The transfer of \$8,573.74 was made in accordance with instructions received after you were contacted to obtain direction as to how to report disbursements that were made throughout the year for in-kind payroll payments on behalf of non-federal candidates. Attached is a copy of the check from our Federal to our Non-Federal account to verify this transaction. Also attached are copies of correspondence regarding this transaction from CBIZ FPG & Co, who prepared the amended reports for the period in question.

Pertaining to salaries in Item three. These payments were inadvertently reflected as expenditures on Line 21b, and were clearly identified as payroll expenses. The salaries were paid totally with federal funds only, as required. The amended report now reflects the corrected payroll expenditures in Schedule B, Line 30(b).

Sincerely,

A handwritten signature in cursive script, appearing to read "Irvin Diamond".

Irvin Diamond
Treasurer

Tammy

From: "Mike McCauley" <mmccauley@cbiz.com>
To: "Tammy" <tammy.forester@rpnm.org>
Sent: Friday, February 13, 2004 11:53 AM
Subject: RE: Amendments to RPNM FEC reports

Tammy

We have researched the items listed below and wanted to get back to you with our response. These transfers are the result of disbursements that were made through out the year for payroll of employees for STATE candidates (i.e. John Sanchez for governor, Sharon Clachiscilliage for Secretary of state). They were treated as in-kind joint activity. We contacted your FEC analyst at the time, Colleen Manning to obtain instruction as to how to report these activities. In-kind contributions to STATE candidates must be paid with either all federal or all state monies. Therefore, a transfer of the non-federal portion was made to the state accounts. To clarify the transfer to the state accounts, the in-kind contributions were memo entries on line 29 of the amended FEC report for this period with a corresponding description of these transactions in the miscellaneous text that follows the report.

We hope this explanation helps. Please let us know if we can be of further assistance.

Mike McCauley
 Corie Chan

-----Original Message-----

From: Tammy [mailto:tammy.forester@rpnm.org]
Sent: Friday, February 13, 2004 11:03 AM
To: Corie Chan; mmccauley@cbiz.com
Subject: Amendments to RPNM FEC reports

----- Original Message -----

From: Tammy
To: Corie Chan
Sent: Tuesday, February 10, 2004 2:12 PM
Subject: Amendments to RPNM FEC reports

Corie

This pertains to a transfer made by RPNM from our FEDERAL to our NON-FEDERAL account, (in the amount of \$8,573.74 on 7/30/03). RPNM made this transfer based on information in your e-mail July 25, 2003 for In-Kind payroll to Sanchez and Clachiscilliage in the amount of \$1,179.42 and your e-mail July 2, 2003 for \$7,394.32, also for in-kind 2002 payroll.

In your e-mails, you referred to the transfer being necessary because the "analyst" said that a transfer needed to be made back to the non-federal account.

Today, we received a letter from the FEC regarding our Amended August 03 Monthly report (7/1/03-7/31/03).

One of the items we must address is as follows:

--"Your report discloses a transfer(s) for "In-Kind 2002 Payroll" to the RPNM Special Individual which appears to be a non-federal account of your committee. 11CFR 106.6 and 106.7 prohibits a committee's federal account from reimbursing its non-federal account for shared allocable expenses. Also, the non-federal account is prohibited from paying the federal account's share of

2/13/2004

these expenses. These types of costs must be paid according to the allocation ratio derived from the appropriate method on Schedule H1."

"If the transfer(s) in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. If your non-federal account has paid any expenditures which should have been allocated, you are advised to correct any non-compliance with 11 CFR 106.6 and 106.7 and establish procedures to insure future compliance with allocation regulations."

Since we have only 15 days to prepare a response it is imperative that we answer the FEC as soon as possible. Was the analyst in question an FEC analyst who gave us the recommendation as to how to fix our problem? We must come up with the explanation that is needed by the FEC as to why this transfer was made. Are you able to help us clarify this to the FEC?

Thanks for your help. I know that your e-mail said that you would take care of any issues that arise as a result of the amendments you handled. Thanks again.

Consuelo Villarreal & Tammy Forester

REPUBLICAN PARTY OF NEW MEXICO

5801 CENTRAL AVE NE, STE 103
ALBUQUERQUE, NM 87108WELLS FARGO BANK NEW MEXICO, N.A.
ALBUQUERQUE, NM 87110
95-219-1070

7/30/2003

PAY TO THE
ORDER OF State Finance Account

\$ 8,573.74

Eight Thousand Five Hundred Seventy-Three and 74/100 *****

DOLLARS

State Finance Account

MEMO

Xfer Fed to Nonfed

⑈001032⑈ ⑈107002192⑈1352743264⑈


Ramsey Cochran

REPUBLICAN PARTY OF NEW MEXICO

State Finance Account

7/30/2003

1032

0010- NON-FEDERAL ACCOUNTS:011 - State Xfer fed to nonfed payroll taxes

8,573.74

⑈006 - Special Individual F Xfer Fed to Nonfed

8,573.74

REPUBLICAN PARTY OF NEW MEXICO

State Finance Account

7/30/2003

1032

0010- NON-FEDERAL ACCOUNTS:1011 - State Xfer fed to nonfed payroll taxes

8,573.74

⑈006 - Special Individual F Xfer Fed to Nonfed

8,573.74

Pam Ellis

From: "Corie Chan (CBIZ FPG&Co.)" <cchan@CBIZ.com>
To: "Pam Ellis" <pamellis@gopinn.org>
Sent: Friday, July 25, 2003 10:20 AM
Subject: Transfer fee in kind payroll to Sanchez and Glachischiage
A transfer of \$1179.42 from federal to non federal needs to be made for the payroll taxes paid in 2002 as in kind contributions. Let me know if you have any questions.

Thanks

Corie Chan
CBIZ FPG Business Services, Inc and
Mayer Hoffman McCann P.C.
Phone 801-364-9300
Fax 801-364-9301

= 8513.74

www.cbiz.com/resources/ata-faq

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Pam Ellis

From: "Corle Chan (GBIZ FPG&Co.)" <cchan@GBIZ.com>
To: "Pam Ellis" <pamellis@gopnm.org>
Sent: Wednesday, July 02, 2003 9:57 AM
Subject: Finished!

Great news, all reports through 12/31/02 have been filed! There are only a couple of things I need you to follow up with: a transfer from federal to non federal for \$7394.32. This is for the in kind payroll that was classified as joint activity, the analyst said that a transfer need to be made back to non federal. It would be best if it were disclosed on the June Activity Report which is due on the 20th of this month. If possible make the transfer today and date it June 30th. I also wanted to make sure that you were aware of the excess contribution in 2002 by Alice Jurkens, she needs to be issued a refund of \$2500.00 which should also be disclosed on the report due the 20th of this month. It has been great working with you, I am glad that we have got all the problems taken care of for you. Mike has said that we will take care of any issues that arise on our amendments, as soon as we are sure all issues have been resolved on the 2001 and 2002 reports I will forward all copies of the reports and the dataset to you. Let me know if you have any questions in the mean time, I would be happy to help.

Thanks

Corle Chan
GBIZ FPG Business Services, Inc and
Mayer Hoffman McCann P.C.
Phone 801-364-9300
Fax 801-364-9301

www.gbizonesource.com/alec-fpg

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**Federal Election Commission
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 FOR INCOMING DOCUMENTS**

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<i>for</i>	3-3-04
PREPARER	DATE PREPARED

(2/2004)